

April 05, 2006

Dear Member of Congress:

As the national and state representatives of U.S. pork producers, we are writing to convey our strong support for prompt congressional consideration and passage of the Peru Trade Promotion Agreement (PTPA).

The Free Trade Agreement negotiated between the United States and Peru, when implemented, will create important new opportunities for U.S. pork producers. U.S. pork exports to Peru currently are restricted by duties as high as 25 percent. However, PTPA, if implemented, will establish immediate tariff reductions on all pork products. Tariffs will be eliminated immediately on some pork products. Tariffs on most pork items will be phased-out within five years. All pork tariffs will be completely eliminated within ten years from the date of implementation of the agreement.

In addition to the favorable market access provisions, significant sanitary and technical issues have been resolved. By a letter dated January 5, 2006 the Peruvian government confirmed that it will recognize the meat inspection system of the United States as equivalent to its own meat inspection system. The aggressive market access provisions coupled with the agreement on equivalence make the Peru agreement a state-of-the-art agreement for pork producers to which future FTAs will be compared.

Trade agreements have been very good for U.S. pork producers. U.S. exports of pork and pork products have increased by more than 389 percent in volume terms and more than 361 percent in value terms since the implementation of the NAFTA in 1994 and the Uruguay Round Agreement in 1995. Exports increased every year in this period and represented 1,157,689 metric tons valued at \$2.6 billion in 2005. Like other recent FTA's, PTPA will generate significant new opportunities for our producers. According to Iowa State economist Dermot Hayes, PTPA, when fully implemented, will increase U.S. live hog prices by 83 cents per hog. That means that the profits of the average U.S. pork producer profits will expand by 7 percent.

In short, the agreement is a great deal for U.S. pork producers. We urge your support of PTPA.

Sincerely,

National Pork Producers Council

Alabama Pork Producers Association  
Arizona Pork Council  
Arkansas Pork Producers Association  
California Pork Producers Association  
Colorado Pork Producers Council  
Georgia Pork Producers Association  
Idaho Pork Producers Association  
Illinois Pork Producers Association  
Indiana Pork Advocacy Coalition  
Iowa Pork Producers Association  
Kansas Pork Association  
Kentucky Pork Producers Association  
Louisiana Pork Producers Association  
Maine Pork Producers  
Maryland Pork Producers Association  
Michigan Pork Producers Association  
Minnesota Pork Producers Association  
Mississippi Pork Producers Association  
Missouri Pork Association  
Montana Pork Producers Council

Nebraska Pork Producers Association, Inc.  
Nevada Pork Producers Association  
New Hampshire Pork Producers Council  
New York Pork Producers Cooperative, Inc.  
North Carolina Pork Council, Inc.  
North Dakota Pork Producers Council  
Ohio Pork Producers Council  
Oklahoma Pork Council  
Oregon Pork Producers Association  
Pennsylvania Pork Producers Council  
South Carolina Pork Producers Association  
South Dakota Pork Producers Council  
Tennessee Pork Producers Association  
Texas Pork Producers Association  
Utah Pork Producers Association  
Virginia Pork Industry Association  
Washington State Pork Producers  
Wisconsin Pork Association  
Wyoming Pork Producers Council